

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
(Master)

March 12, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 500 (the "District") met in regular session, open to the public, on the 12th day of March, 2024, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District but inside the boundaries of the Service Area, and the roll was called of the members of the Board:

Jeffrey D. Ottmann	President
Joanne E. Quintero	Vice President
Jeff P. Collins	Secretary
James Spackman	Assistant Secretary
Alan Steinberg	Asst. Vice President/ Asst. Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Jennifer Vossler of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Michael Crahan of Caldwell Companies; Angel Ruvalcaba of KGA/DeForest Design, LLC; Leslie Cook of RBC Capital Markets; JC Reno of Storm Water Solutions, LLC; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Environmental Development Partners ("EDP"); J.T. Gaden and Kenrick Piercy of EHRA Engineering ("EHRA"); Brenda McLaughlin of Bob Leared Interests; and Allison Leatherwood and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the February 13, 2024, regular meeting and February 22, 2024, special meeting. After review and discussion, Director Quintero moved to approve the minutes of the February 13, 2024, regular meeting and February 22, 2024, special meeting, as presented. Director Spackman seconded the motion, which passed unanimously.

APPROVE DEVELOPER REIMBURSEMENT REPORT AND AUTHORIZE DISBURSEMENT OF FUNDS

Ms. Vossler reviewed developer reimbursement reports reflecting the amounts

reimbursable by the District to CW SCOA West, L.P. for construction of the projects funded by the District's \$10,195,000 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2024A and the \$3,045,000 Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2024B.

After discussion, Director Spackman moved to: (1) approve the developer reimbursement reports and direct that the reports be filed appropriately and retained in the District's official records; and (2) approve the disbursement of funds as provided in the developer reimbursement reports, subject to receipt of executed receipts from the developer. Director Quintero seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MARCH 31, 2024

The Board considered authorizing the District's auditor to prepare the District's audit for fiscal year end March 31, 2024. The Board reviewed an audit continuance letter from McCall, a copy of which is attached, noting that preparation of the District's annual audit will cost an estimated \$23,000-\$25,000 for the Master District accounts. Following review and discussion, Director Spackman moved to authorize McCall to prepare the District's audit for fiscal year end March 31, 2024. Director Steinberg seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz reviewed the bookkeeper's report, a copy of which is attached, and submitted the bills for the Board's review. She also requested the Board approve additional check no. 5894 in the amount of \$33.54, payable to Director Ottmann.

After review and discussion, Director Spackman moved to approve the bookkeeper's report and the payments presented, including check no. 5894 as detailed above. Director Collins seconded the motion, which passed unanimously.

LANDSCAPE ARCHITECT'S REPORT

Mr. Ruvalcaba reviewed the landscape architect's report, a copy of which is attached.

Mr. Ruvalcaba updated the Board on the status of construction of the Greenhouse Road tree replacement project.

Mr. Ruvalcaba stated that the District received two bids for construction of the Greenhouse Road landscape replacement project. He recommended that the Board award the contract to the low bidder, Jinco, Inc. ("Jinco"), in the amount of \$115,229.76. The Board concurred that, in its judgment, Jinco was a responsible bidder who would

be most advantageous to the District and would result in the best and most economical completion of the project.

After review and discussion, and as recommended by the landscape architect, Director Spackman moved to: (1) accept the landscape architect's report; and (2) award the contract for construction of the Greenhouse Road landscape replacement project to Jinco in the amount of \$115,229.76, subject to receipt of payment and performance bonds and the certificate of insurance and endorsements, if any, provided by the contractor. Director Collins seconded the motion, which passed by a vote of 4-0 with Director Quintero abstaining.

OPERATION OF DISTRICT FACILITIES

Ms. Benzman reviewed a 5-year maintenance and repair plan, a copy of which is attached. She stated that she will include the plan in the operator's report moving forward and revise it on an as-needed basis.

Ms. Benzman presented the operator's report, a copy of which is attached. She reported on routine maintenance and repair items in the Service Area.

Ms. Benzman stated that she is still working on the incident report regarding the recent electrical incident at wastewater treatment plant no. 1.

Ms. Benzman requested the Board approve the installation of the SuperAll odor control system at the onsite lift station for wastewater treatment plant no. 2 in the amount of \$2,400.00 for installation and a monthly fee in the estimated amount of \$3,985.23. After discussion, the Board concurred to defer discussion on the proposal.

Ms. Benzman reported that the replacement of the front fence at water plant no. 1 is complete.

Ms. Benzman reported that EDP filed an unauthorized discharge report with the Texas Commission on Environmental Quality ("TCEQ") and Harris County.

After review and discussion, Director Steinberg moved to approve the operator's report. Director Spackman seconded the motion, which passed unanimously.

Ms. Benzman reviewed a handout detailing the terms of the proposed Fifth Amendment to Agreement for Operating Services with Inframark, LLC (the "Fifth Amendment"), a copy of which is attached. The Board then considered approving the Fifth Amendment. The Board requested that language be added to the Fifth Amendment stating that the operator will provide the Board with the anticipated annual price index increase in January of each year.

After review and discussion, Director Quintero moved to approve the Fifth

Amendment, subject to the revision discussed above, and direct that it be filed appropriately and filed in the District's official records. Director Steinberg seconded the motion, which passed unanimously.

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES AND AUTHORIZE ANNUAL FILING

The Board deferred discussion on this agenda item.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT FROM A ALL ANIMAL CONTROL

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping and reviewed a report from AAAC for February, a copy of which is attached.

EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

REPORT FROM TOWNE LAKE COMMUNITY ASSOCIATION, INC. ("HOA") REGARDING LAKE AND LANDSCAPE MAINTENANCE MATTERS

The Board reviewed a landscape maintenance report provided by the HOA, a copy of which is attached. The Board also reviewed lake maintenance reports provided by the HOA, copies of which are attached.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS

Mr. Reno reviewed the report on maintenance of the District's stormwater facilities, a copy of which is attached.

Mr. Reno reviewed four proposals in the total amount of \$108,550.00 to rehabilitate various areas of erosion around the regional detention facilities and a back-of-lot drainage swale, copies of which are attached.

After review and discussion, Director Collins moved to approve the proposals in the total amount of \$108,550.00 to rehabilitate various areas of erosion around the regional detention facilities and a back-of-lot drainage swale. Director Spackman seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Gaden presented the engineer's report, a copy of which is attached, and reviewed it with the Board.

Mr. Gaden reviewed a draft of the 5-year Capital Improvement Plan, a copy of which is attached.

GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 ("UPRR/HIGHWAY 290 PROJECT")

Mr. Gaden updated the Board on the status of design of the UPRR/Highway 290 project. He stated that EHRA will provide the updated project schedule to the Board.

Director Collins stated that he is going to schedule a meeting with the Harris County Precinct 3 Commissioner to discuss the future maintenance of the storm water pump station. The Board also authorized Director Ottmann to attend the meeting on behalf of the Board.

Mr. Gaden stated that in the original plans for the UPRR/Highway 290 project, there was one joint outfall located in a shared drainage easement to serve the drainage for Highway 290 project, on behalf of Texas Department of Transportation ("TxDOT") and drainage for the Mound Road extension, on behalf of Harris County. He stated that TxDOT will not allow a joint outfall, but it will allow adjacent storm sewer lines and outfalls within the existing shared drainage easement, subject to the Harris County outfall being constructed with upgraded reinforced concrete pipe, per TxDOT's standard construction requirements. Ms. Leatherwood stated that the cost difference between the originally planned pipe and the upgraded reinforced concrete pipe is approximately \$50,000.00. After review and discussion, Director Collins moved to approve the upcharge in an amount not to exceed \$50,000.00 for the upgraded storm pipe material in order to accommodate TxDOT's requirements for the adjacent outfalls within a shared drainage easement. Director Spackman seconded the motion, which passed unanimously.

The Board tabled discussion on a First Amendment to Agreement with Harris County and CW SCOA West, L.P. related to Mound Road extension and construction of drainage facilities.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE WASTEWATER TREATMENT PLANT NO. 1 EXPANSION, PHASE 4

Mr. Gaden updated the Board on the status of design of the wastewater treatment plant no. 1 expansion, phase 4 project.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE LAKE EROSION REHABILITATION PROJECT

Mr. Gaden updated the Board on the status of design of the lake erosion rehabilitation project. He reviewed an engineering services proposal from EHRA in the amount of \$69,759.00 for design and preparation of plans and specifications for the lake erosion rehabilitation project.

After review and discussion, Director Quintero moved to approve the engineering services proposal in the amount of \$69,759.00 from EHRA for design and preparation of plans and specifications for the lake erosion rehabilitation project. Director Spackman seconded the motion, which passed unanimously.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE WATER PLANT NO. 1 GROUND STORAGE TANK NO. 2 RECOATING PROJECT

Mr. Gaden updated the Board on the status of design of the water plant no. 1 ground storage tank no. 2 recoating project. He requested the Board approve the plans and specifications and authorize solicitation or advertisement, as necessary, for bids for the water plant no. 1 ground storage tank no. 2 recoating project.

After review and discussion, Director Quintero moved to approve the plans and specifications and authorize solicitation or advertisement, as necessary, for bids for the water plant no. 1 ground storage tank no. 2 recoating project. Director Spackman seconded the motion, which passed unanimously.

GREENHOUSE ROAD LEFT TURN LANE

Mr. Gaden requested the Board authorize design, approve the plans and specifications, and authorize advertisement for bids for the Greenhouse Road left turn lane project.

After review and discussion, Director Quintero moved to authorize design, approve the plans and specifications, and authorize advertisement for bids for the Greenhouse Road left turn lane project. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CONSTRUCTION OF WASTEWATER TREATMENT PLANT NO. 2

Mr. Gaden updated the Board on the status of construction of wastewater treatment plant no. 2. He reviewed and recommended approval of Pay Estimate No. 12 in the amount of \$407,590.63, submitted by C4 Partners.

After review and discussion, Director Quintero moved to approve Pay Estimate No. 12 in the amount of \$407,590.63 to C4 Partners, as recommended. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE BARKER CYPRESS LEFT TURN LANE

Mr. Gaden updated the Board on the status of construction of the Barker Cypress left turn lane project. He had no action items from SAS Concrete Construction, LLC.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER WELL NO. 1 AND WATER PLANT NO. 1 HYDROPNEUMATIC TANK ADDITION

Mr. Gaden updated the Board on the status of construction of water well no. 1 and the additional hydropneumatic tank. He reviewed and recommended approval of Pay Estimate No. 21 in the amount of \$33,737.29, submitted by HCG, LLC.

After review and discussion, Director Quintero moved to approve Pay Estimate No. 21 in the amount of \$33,737.29 to HCG, LLC, as recommended. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE MOUND ROAD EAST UTILITY EXTENSION PROJECT

Mr. Gaden updated the Board on the status of construction of the Mound Road East Utility Extension project. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$929,596.85, submitted by Texasite, LLC.

After review and discussion, Director Quintero moved to approve Pay Estimate No. 1 in the amount of \$929,596.85 to Texasite, LLC, as recommended. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE WATER PLANT NO. 1 GROUND STORAGE TANK NO. 2 EMERGENCY ROOF REPLACEMENT AND RECOATING

Mr. Gaden updated the Board on the status construction of the water plant no. 1 ground storage tank no. 2 emergency roof replacement project. He had no action items from Tank Builders, Inc.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT;
CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

ROAD BOND ISSUE NO. 6

Ms. Leatherwood updated the Board on the status of the preparation of road bond issue no. 6.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT INCLUDING CONSENT
TO PARTIAL ASSIGNMENT OF FINANCING AND REIMBURSEMENT
AGREEMENT

There was no discussion on this agenda item.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

APPROVE YEAR IN REVIEW UPDATE

The Board reviewed the final draft of the year in review update. After review and discussion, Director Quintero moved to approve the year in review update, subject to finalization. Director Steinberg seconded the motion, which passed unanimously.

REVIEW AND REVISE ACTION LIST

The Board reviewed the action list and noted items to be included and removed from the list.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)




Secretary, Board of Directors

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